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SIPDIS

DOL FOR BLS AND ILAB TREASURY FOR IMI STATE FOR DRL/IL

E.O. 12958: N/A TAGS: <u>ELAB</u> <u>EUN</u>

SUBJECT: EU UNEMPLOYMENT UP TO 9.3 PERCENT; EURO ZONE RATE UP TO

9.8 PERCENT

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- 11. SUMMARY. The latest EU unemployment data released by the EU Commission's Statistical Office (EUROSTAT) on December 1 showed further deterioration of the situation in EU labor markets. The aggregate unemployment rate for the EU-27 increased to 9.3 percent in October 2009, up from 9.2 in September. Unemployment in the euro zone (the 16 EU countries currently participating in the euro) stood at 9.8 in October 2009. END SUMMARY.
- ¶2. With seasonal adjustment and compensation for differences in national statistical methods, the unemployment rate for the EU-27 stood at 9.3 percent in October 2009, up from 9.2 percent in September 2009 and from 7.3 percent in October 2008. The unemployment rate for the euro zone stood at 9.8 percent in October 2009, unchanged from the September 2009 rate (revised from initial 9.7 estimate) and up from 7.9 percent in October 2008 (comparison based on EU-16; euro zone membership effective in October 2009).
- 13. The lowest monthly rates among those compiled by EUROSTAT from the EU-27 for October 2009 were recorded in the Netherlands (3.7 percent) and Austria (4.7 percent). The highest rates were recorded in Latvia (20.9 percent) and Spain (19.3 percent).
- 14. EUROSTAT data showed all countries among the EU-27 recording an increase in their unemployment rate over a year, some showing quite a sharp rise. The smallest increases took place in Germany (from 7.1 percent in October 2008 to 7.5 percent in October 2009), Austria (from 4.0 percent in October 2008 to 4.7 percent in October 2009), and Romania (from 5.7 percent to 6.4 percent between the second quarters of 2008 and 2009). The sharpest yearly increases occurred in Latvia (from 9.1 percent in October 2008 to 20.9 percent in October 2009) and Lithuania (from 4.8 percent to 13.8 percent between the second quarters of 2008 and 2009).
- 15. Based on EUROSTAT estimates, male unemployment reached 9.5 percent in October 2009 for the EU-27 and 9.7 percent for the euro zone, up 2.5 percentage point and 2.4 percentage point respectively for the EU-27 and the euro zone areas when compared to October 2008. The female unemployment rate for October 2009 reached 9.2 percent for the EU-27 and 10.0 percent for the euro zone, up 1.6 percentage point and up 1.5 percentage point respectively over the twelve-month period.
- 16. Unemployment rates among young people under 25 for October 2009 ranged from 7.2 percent in the Netherlands to 42.9 percent in Spain. The October 2009 rate for this age group was estimated at 20.7 percent for the EU-27 and at 20.6 percent for the euro zone, compared to 16.2 percent for both areas in October 2008 (plus 4.5 percentage point and 4.4 percent respectively).

- 17. EUROSTAT estimated that 22.510 million were unemployed in the EU-27 in October 2009, of which 15.567 million reside in the euro zone. In absolute numbers, the number of unemployed increased by 5,002,000 for the EU-27 and by 3,149,000 for the euro zone over the twelve-month period.
- 18. Following is the breakdown of unemployment rates in ascending order for the individual EU member states:

(Seasonally-adjusted)

(October 2009 rates unless otherwise indicated)

Netherlands 3.7 4.7 Austria Cyprus 6.0 Slovenia 6.2 Romania 6.4 (second quarter 2009) Luxembourg Denmark 6.9 Malta 7.0 Czech Republic 7.1 Germany 7.5 UK 7.8 ((August 2009) Bulgaria 7.9 Italy 8.0 Belgium 8.1 Poland 8.4 Finland 8.7 8.8 Sweden 9.2 (second quarter 2009) Greece Hungary 9.9 France 10.1 Portugal 10.2 Slovakia 12.2

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Ireland 12.8
Lithuania 13.8 (second quarter 2009)
Estonia 15.2 (third quarter 2009)
Spain 19.3
Latvia 20.9

EU-27 9.3 Euro zone 9.8

- 19. The monthly rates and numbers of unemployed are estimated and based on data from the EU labor force survey. The estimated rates may differ from national unemployment rates due to differences in methods and definitions of unemployment. Unemployed people according to ILO criteria are those aged 15 and over who:
- -- Are without work;
- $\mbox{--}$  Are available to start work within the next two weeks; and
- -- Have actively sought employment at some time during the previous four weeks.

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